

WASHINGTON, D.C. - Congressman Sam Farr (D-Carmel) today voted with colleagues to extend unemployment benefits, a homebuyers' tax credit and tax relief for businesses and military families.

The Emergency Unemployment Compensation Extension Act, which passed by a vote of 403-12, will extend unemployment benefits for an additional 20 weeks for California residents. It also extends the homebuyers' credit until April 2010 and includes a credit for current longtime homeowners to be included.

"The real stimulus for America is creating jobs and helping those who are out of work, and this legislation does both," Rep. Farr said following the vote. "We're seeing signs of recovery in the economy, but job creation always lags the economy so it's very important that we continue to support those Americans who are looking for work."

The extension of unemployment benefits is fully paid for and will provide immediate, effective stimulus to the local economy. The Congressional Budget Office has cited unemployment benefits as one of the most cost-effective forms of economic stimulus, and every dollar spent on unemployment benefits generates \$1.63 in new demand, according to Moody's chief economist Mark Zandi.

The bill also includes an extension of the \$8,000 first-time homebuyer tax credit through April 30, 2010, and provides a \$6,500 credit to new purchasers who have lived in their current residence for five years or more. It also helps military families struggling to make mortgage payments by making those payments tax-exempt. The legislation also allows U.S. companies to carry back losses incurred in either 2008 or 2009 against income earned in any of the five prior years.

The House passed a version of the bill already amended by the Senate, so this final version will now be sent to President Obama for his signature.

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